

Chapter Seven: Task Force Studies and Analysis

Section Two: Task Force Process, Studies and Analyses

CHAPTER SEVEN: Task Force Studies and Analyses

After its initial review of information on existing transportation system needs, the Task Force determined that to develop a responsive, credible and supportable 20-year “budget” for the State’s transportation system a

comprehensive assessment of Arizona’s long-range transportation needs must be undertaken. In addition, an analysis of the available and needed revenues also was required.

Transportation Needs and Revenue Studies

The Task Force retained Booz – Allen & Hamilton, Inc. (BAH) to serve as its Needs Consultant and directed them to assemble a single, comprehensive, standardized transportation needs database.

The Task Force retained Wilbur Smith Associates (WSA) to serve as its Revenue Consultant and directed them to estimate future available transportation revenues and to assess alternative ways to augment those existing revenues, if needed.

The Task Force also retained Booz-Allen & Hamilton, Inc. (BAH) to serve as its Analytical Consultant and directed them to use the information developed by the Needs Consultant and the Revenue Consultant in conjunction with the policy direction of the Task Force to develop a fiscally balanced 20 year “budget” for Arizona’s transportation system.

20-Year, Statewide, Multimodal Transportation System Needs

Systematic Collection and Review of State, Regional, Local and Tribal Transportation System Needs Studies and Plans

The Needs Consultant, assembled over 160 documents from state, regional, local and tribal sources that documented future transportation needs throughout the State. These documents included well over 12,000 projects and represented future system requirements in all modes and areas of the state. In addition, BAH collected data and information concerning the costs of planning, operating, preserving and maintaining the statewide transportation system.

This is the first time a comprehensive assembly of all such documents and information has been attempted in Arizona.

Development of a Non-Duplicative Needs Database

The project cost information as well as the other system costs described above were subsequently entered into a single needs database. The database, among other things, identified the source of the costs of each project, year of the development of the costs, general purpose of the project, location of the project, and other pertinent characteristics.

Following the building of the initial database structure, the data was reviewed to eliminate duplicative entries and costs. Due to the wide search for information and data initially conducted, some projects (and their associated costs) were identified in multiple documents. For example, an early small area transportation study might include costs subsequently included within a larger regional plan. Hundreds of such duplicative entries were researched and eliminated. The resulting data still has over 11,000 projects and their cost items.

Standardization and Normalization of Needs Costs

The first phase in standardizing and normalizing the cost data within the database was to adjust all costs to year 2000 dollars. For example, costs in a 1997 study were increased to reflect the changes in costs between 1997 and 2000.

The second phase was to normalize and validate the costs within the database. Two separate methodologies were used to validate the costs in the database. First, the projects and costs

within the database were grouped by project category. The unit costs of each project were then compared to the typical unit cost for the category as a whole. If the costs for a particular project were more than one standard deviation above or below the median unit costs, the project was examined to determine if sufficient justification existed for the deviation. If the project costs could not be explained by unusual circumstance such as difficult terrain, high right-of-way costs, etc., the project unit costs were adjusted to the standard deviation level. Simultaneously, the largest projects within the database (representing a substantial percentage of the total dollar costs in the database) were individually reviewed by BAH in comparison of similar sized projects elsewhere in Arizona and nationally. The combined result of these two separate review methodologies has been a substantial improvement in reliability of the cost information within the database.

Extrapolation of 20 Year Costs

Finally, reoccurring costs within the database, such as roadway sweeping or vehicle maintenance, were extrapolated to 20 year costs. The amounts originally collected could have been based on one, two or five year cost estimates. These amounts were then adjusted to reflect similar costs over 20 years. In addition, the amounts were adjusted to reflect growth in the overall transportation system. For example, maintenance costs increase as the number of lane miles of roadway, or buses in service increase.

Upon completion of these steps the multimodal transportation system needs database was complete and ready for use by the Task Force and its Analytical Consultant.

20-Year Transportation System Revenues

Systematic Review and Estimation of Current Statewide Transportation Revenues

While BAH was developing the Transportation Needs Database, Wilbur Smith Associates (WSA), the Task Force Revenue Consultant, was developing estimates of the future transportation

revenues. WSA undertook projections of all existing transportation revenues at the currently established rates over the next 20 years (currently scheduled tax increases and tax reductions were included). As with the needs data, the projected revenues were developed in year 2000 dollars. By using year 2000 dollars, the future uncertain effects of future inflation on the revenues and costs is virtually eliminated.

WSA collected revenue information from federal, state and local sources as the basis for their projections. Individual revenue components were estimated based on the best available and most reasonable future economic indicators and variables. In some cases, the estimates reflect historical patterns, conservatively extrapolated. In other cases, detailed ten year forecasts exist, which were expanded for a second ten-year period.

Upon completion of its work, WSA estimated the existing tax structure and other current sources would generate approximately \$41 billion in year 2000 dollars over the 20-year period.

Estimation of Alternative Revenue Sources

In addition to estimating the 20-year revenue amounts from existing sources, WSA also developed estimates of the revenue generating capacity of a wide variety of alternative revenue sources. Initially over 20 different sources were examined ranging from an income tax surcharge to parking fees.

The various alternative sources were reviewed with respect to their effectiveness, structure, impact, equity and feasibility.

20-year, Statewide, Multimodal Transportation System Budget

Following the completion of the transportation needs database and development of the existing and alternative revenue data, the Task Force undertook the development of a 20-year transportation budget for the State.

Development of Hypothetical Transportation Plans

BAH, serving as the Task Force Analytical Consultant, developed four "hypothetical" 20-year transportation plans for the State. The first

two plans reflected alternative approaches to “business as usual.” The final two plans were developed to contrast alternative approaches to meeting the future transportation needs of the State. One plan reflected a greater reliance on future transit services and the other plan reflected a continued primary reliance on automobiles and trucks.

Based on the outlines produced by BAH, WSA developed a series of alternative revenue structures that would produce sufficient revenues to fund the various 20-year transportation plans.

Comprehensive, 20-Year, Multimodal Transportation System Budget

Following a detailed review of the “hypothetical” plans and alternative revenue structures, the Task Force undertook the development of a comprehensive, 20-year, multimodal transportation system budget for the State.

The first step in developing the transportation system budget was the identification of key principles and priorities for the future system. Among the principles and priorities identified by the Task Force were the following:

- Preservation of used and useful system assets is a priority. Preservation expenditures should be sufficient to minimize overall system costs.

- Costs of ensuring the system meets adequate safety levels should also be a high priority.

- Encourage and fund strategies that increase the capacity of the existing system components. These strategies include, but are not limited to, intelligent transportation systems.

- Place emphasis on the principal routes of statewide significance and routes of regional significance.

- Place emphasis on system improvements that address commuter traffic patterns and increasing congestion.

- Sufficiently fund planning and administration to ensure that data and information concerning the future performance of the system is available to optimize future expenditure choices.

- Undertake expansionary projects that provide improved mobility in the most restricted areas and help avoid the deterioration of mobility to unacceptable levels.

- Projects and strategies that can be quickly implemented should be identified and scheduled as soon as practical.

Based on the priorities identified by the Task Force, the consultant team reviewed the transportation needs database and developed a preliminary 20-year transportation system budget.

The initial step in this process was the identification of non-redundant costs. As the database contains multiple solutions for many transportation needs, it was necessary to identify the costs associated with a single solution for each identified system need. For example, if two separate studies had been completed to address a specific transportation need - one examining a roadway approach and the other a railway alternative - including the cost of both alternatives would create redundancy in the budgeted costs. Upon elimination of redundant cost the overall 20-year budget totaled in excess of \$80 billion.

Subsequently, the consultant team reviewed the non-duplicative costs in light of the Task Force principles and priorities. On the basis of that review, the 20-year transportation system budget was estimated at \$61 billion.

Estimate of Required Additional Revenues

As a result of the estimated 20-year transportation system budget of \$61 billion and the estimated \$41 billion the existing tax structure and other current sources would generate over the 20-year period, the Task Force identified the need for approximately \$20 billion in additional revenues over the 20-year period to achieve a fiscally balanced proposal.

Table 2-7-1

Table II-1 Suggested Revenue Plan (WSA Report)

Use	Source	Action	Estimated Revenue By Time Period				20-Year
			Years 1-5	Years 6-10	Years 11-15	Years 16-20	Yield
Restricted	Gas Tax Increase	\$0.05 in Year 1	\$561.6	\$556.5	\$534.6	\$519.7	\$2,172.4
		additional \$0.04 in Year 4	\$179.6	\$445.2	\$427.7	\$415.7	\$1,468.2
		additional \$0.02 in Year 9		\$87.9	\$213.8	\$207.9	\$509.6
		additional \$0.02 in Year 14			\$84.6	\$207.9	\$292.5
		Subtotal	\$741.2	\$1,089.7	\$1,260.7	\$1,351.1	\$4,442.7
	Use Fuel Tax Increase	\$0.05 in Year 1	\$153.1	\$154.2	\$148.5	\$144.2	\$600.1
		additional \$0.04 in Year 4	\$49.2	\$123.4	\$118.8	\$115.4	\$406.8
		additional \$0.02 in Year 9		\$24.4	\$59.4	\$57.7	\$141.5
		additional \$0.02 in Year 14			\$23.5	\$57.7	\$81.2
		Subtotal	\$202.4	\$302.1	\$350.2	\$375.0	\$1,229.6
	Subtotal Restricted to Roadway Use		\$943.6	\$1,391.8	\$1,610.8	\$1,726.1	\$5,672.3
Unrestricted	Sales Tax Increase	0.25% in Year 1	\$1,006.9	\$1,153.8	\$1,279.5	\$1,435.7	\$4,875.9
		additional 0.50% in Year 5	\$426.5	\$2,307.7	\$2,559.0	\$2,871.4	\$8,164.6
		Subtotal	\$1,433.4	\$3,461.5	\$3,838.5	\$4,307.1	\$13,040.5
	Development Fees	beginning in Year 2	\$420.1	\$456.8	\$378.5	\$317.1	\$1,572.6
	Subtotal Unrestricted Use		\$1,853.5	\$3,918.3	\$4,217.0	\$4,624.3	\$14,613.1
Total			\$2,797.1	\$5,310.1	\$5,827.8	\$6,350.4	\$20,285.4

Additional Dedicated Transportation Revenues

More than 25 potential revenue sources were reviewed to identify the most appropriate elements for an overall revenue plan. Three plans emerged as the most appropriate sources for a revenue package of approximately \$20 billion— gas tax and use fuel tax increases, a statewide sales tax and statewide development fees, all dedicated for transportation improvements.

The use of fuel tax revenues is restricted. Revenues from this and other Highway User Revenue Fund (HURF) sources can only be used for roadway needs. Sales tax revenue, however, is unrestricted and can be dedicated for any transportation need – transit, aviation or roadway.

Fuel taxes are user-based taxes, with the amount of the tax paid related to vehicle use. Sales taxes are not direct user taxes, but do reflect the linkage between transportation infrastructure or service and the benefits it provides to the overall economy of an area.

Development fees on new residential and commercial development place a portion of the burden for funding transportation system expansion on the individuals and businesses responsible for creating the additional demand.

With ever increasing needs and costs, there has been the need to supplement, but not replace, vehicle-related user fees. Although the gas tax remains the backbone of roadway revenue, changes in fuel efficiency as well as alternative fuel types are eroding the effectiveness of this revenue source.

The Task Force favored a balanced approach that emphasized the sales tax due to its flexibility of use to fund all modes of transportation. With this guidance, a revenue plan was developed. As indicated in the following table, prepared by WSA, the Task Force Revenue Consultant, the principal components are phased-in gas and use fuel tax increases in addition to a phased-in statewide sales tax increase and a new statewide development fee for new residential and commercial developments.

The revenue target is approximately \$20 billion (in constant 2000 dollars) over the next 20 years. To reflect the earliest that any tax or fee increase could be implemented, the 20-year revenue estimates extend through FY 2002-2021.

Increased Fuel Taxes

The existing per gallon state gas and use fuel tax in Arizona are \$0.18 and \$0.26, respectively. Based on a survey of state and local fuel tax rates in effect in January 2000, Arizona ranked

40th in the nation in gas taxes and 10th in use fuel taxes. Other states are reviewing their transportation revenue outlook and adjusting fuel taxes accordingly. However, assuming no changes by other states, the initial \$0.05 increase suggested for FY 2002 would result in Arizona moving up in the rankings to 19th for and gas and 1st for use fuel taxes. In January 2000 Nevada ranked first in state and local gas taxes with \$0.33 and Pennsylvania ranked 1st in state and local diesel taxes at \$0.308 per gallon.

It is most likely that many states will be making adjustments in future years, when additional increases are suggested. Therefore, no comparison is made on how Arizona would rank that far in the future.

Establish a Dedicated Statewide Sales Tax

The statewide sales tax surcharge is proposed to be phased-in, beginning with a 0.25% surcharge for transportation in FY 2002. An additional 0.5% surcharge is proposed in FY 2006 to coincide with the expiration of the Maricopa County Regional Area Road Fund (RARF) tax.

Establish Dedicated Statewide Development Fees for System Expansion

The suggested revenue plan also includes a statewide 1% development fee applicable to both new residential and commercial properties. The revenue potential for such a fee was estimated using only new housing starts. It was estimated that the equivalent of a \$1,000 fee (1% on \$100,000) for each new residential development would generate, on average, \$87.2 million per year. A lesser fee applied to both residential and commercial developments could be used to yield equivalent revenue levels. It is noted that the legal framework for a statewide development fee has to be developed.

Other Considerations

The forecasts of both needs and revenues are based on many assumptions, including population increases, vehicle usage, fuel consumption, inflation rates, disposable income, and other related factors. The long-range 20-

year planning horizon adds another dimension to the forecasts. As a result, the suggested revenue plan should be viewed as a blueprint for moving into the future, with adaptations necessary if underlying assumptions change.

There are other alternative revenue sources that could be considered if it becomes necessary to supplement the revenue generated by the primary revenue sources (i.e. fuel tax increases and the statewide sales tax surcharge). Examples include:

Alternative Fuel Tax: The effectiveness of the gas tax may be eroded by the switch to alternative fuels, therefore consideration should be given to taxing alternative fuel sources.

Sales Tax On Automobiles: Arizona has a sales tax on automobiles and the revenue is deposited in the State General Fund. All or a portion of this revenue source could be dedicated to transportation. This would not be a tax increase, but the reallocation of revenues from an unspecified use to dedicated transportation use.

Parking Taxes: Other municipalities have added a parking tax with the proceeds dedicated to transportation. This source not only generates revenue, but also is an incentive for considering ridesharing or transit usage.

Public/Private Partnerships: There are mechanisms for financing specific projects that involve public/private partnerships. Toll roads and congestion pricing are examples. Opportunities for public/private partnerships should be explored on a case-by-case basis.

Miscellaneous: Examples of other potential revenue sources discussed by the Task Force include a tax on all property transfers and fuel tax indexing.

Revenue Production of Major Taxes

A one cent fuel tax increase produces approximately \$27.8 million annually and approximately \$556.8 million over 20 years. A five cent fuel tax increase produces approximately \$139 million annually and approximately \$2,781 million over 20 years.

A ¼% statewide sales tax increase produces approximately \$238 million annually and approximately \$4,760 million over 20 years. A ½% statewide sales tax increase produces approximately \$476 million annually and approximately \$9,520 million over 20 years.

Estimated Household Impacts

Key impacts of the suggested revenue plan will be the increased tax burden to operate vehicles (i.e., the additional amount spent in fuel taxes) and the additional sales tax burden. For the purposes of this assessment, a two-car

household with a \$40,000 household income is used. It is assumed that 25%, or \$10,000, is spent on taxable items.

The following table, prepared by WSA summarizes the estimated impact of each individual tax action as well as the total annual impact by time period. The initial \$0.05 increase in state gas tax will result in \$65 more in annual state gas tax payments. The 0.75% sales tax surcharge is expected to have a household impact of \$75 annually.

Table 2-7-2

Table II-2 Key Impacts of Suggested Revenue Plan (see notes) (WSA Report)

Action	Additional Payment for Average Household		
	Gas Tax	Sales Tax	Total
\$0.05 increase in Year 1	\$65		\$65
\$0.04 increase in Year 4	\$52		\$52
0.25% surcharge in Year 1		\$25	\$25
0.50% surcharge in Year 5 *		\$50	\$50
Subtotal Annual Impact By End of Year 5	\$117	\$75	\$192
\$0.02 increase in Year 9	\$26		\$26
Subtotal Annual Impact By End of Year 10	\$26	\$0	\$26
\$0.02 increase in Year 14	\$26		\$26
Subtotal Annual Impact By End of Year 15	\$26	\$0	\$26
Total Final Annual Impact	\$169	\$75	\$244
* not an increase for Maricopa County since this replaces expired RARF tax			
Note 1: Gas tax impacts assume two cars, each driven on average 12,000 miles per year with average of 18.5 mpg			
Note 2: Impacts are for household with \$40,000 average income, \$10,000 spent on taxable items			

Task Force Meetings

1999 Task Force Meetings

The Task Force met on March 3rd, April 8th, June 10th, August 12th, September 9th, October 7th, November 4th, December 6th, and December 13th 1999.

On March 3rd, Governor Jane Dee Hull expressed her appreciation to the Task Force members for their commitment to the Task Force and acknowledged their ability to produce a vision for transportation for the State of Arizona. She encouraged the Task Force to examine all modes of transportation and reviewed their charge, as outlined in the Executive Order. She emphasized the need for the Task Force to reach a consensus in their report that balances the needs of the State and the taxpayer and meets both rural and urban challenges.

Ms Stephanie Bondeson, ADOT staff to the Task Force, highlighted the work plan identified for the three subcommittees, phases of public input, and a Gantt chart which depicted a visual layout of what she anticipates happening throughout the duration of the Task Force. The first subcommittee will define and identify actual needs, resources and revenues. The second will look at governance of local government, regional and state transportation authorities. The third will evaluate planning and programming processes, including the evaluation of current multimodal planning processes at the local, regional and state levels.

Mr. Robert Sokol, Assistant Attorney General, presented an overview of the open meeting law, which the Task Force is not legally subject to because it is an advisory committee appointed by the Governor by Executive Order. However, Mr. Sokol noted that the Task Force has volunteered to abide by the law, which he felt was commendable. The open meeting law does not apply to the subcommittees unless they so choose.

Mr. Alex Cabillo, Hualapai Nation, Kingman, acknowledged the talent of the Task Force

members but noted the lack of a representative from Arizona's tribal communities. He explained that TEA-21 mandates that tribes work on reservation-wide transportation plans for inclusion in the state's plan. He spoke about the benefit of cooperation between government entities, especially as it relates to transportation.

Ms Pam Allan, Maricopa Citizens Advocating Transit, explained that her group was formed with the goal of getting regional transit, with dedicated funding, and to increase or expand the existing ADA qualified fixed bus routes in both hours and number of routes. She noted that a growing number of disabled persons have found work, but are unable to get to work.

On April 8th, Mr. Chris Fetzer, Transportation/Environmental Planning Director of the Northern AZ Council of Governments (NACOG), presented an overview of **Councils of Governments** (COGs), including their history, how and why they were created, the difference between Metropolitan Planning Organizations (MPOs), and COGs and the structure of each COG. Mr. Fetzer explained that NACOG addresses transit in their transit development plan as well as in a transit plan for the Grand Canyon. Mr. Kenneth Sweet, Executive Director of (NACOG), stated that counties and communities have expressed a desire for the COGs to take on additional responsibilities, recognizing that regionalism brings synergy, efficiency and economies of scale.

Mr. Ron Spinar, Executive Director of the Flagstaff Metropolitan Planning Organization (FMPO) gave a **Small Metropolitan Planning Organizations** presentation. He outlined the role and responsibilities of the small MPO and boundaries of the Flagstaff MPO. He also provided background information about how the MPOs work with the cities and county on issues involving land use and how urban growth boundaries would help transportation planning.

Mr. James M. Bourey, Executive Director of Maricopa Association of Governments (MAG), and Mr. Tom Swanson, Executive Director of the

Pima Association of Governments (PAG), gave a presentation on **Transportation Management Areas**. Mr. Bourey presented a MAG organizational chart, discussed the MAG membership and summarized the five statements in their articles of incorporation. He then explained urban transportation planning from a federal perspective and explained the term "*transportation management area*". Mr. Swanson, explained how there are two major kinds of MPOs, both of which are dictated by federal legislation.

Ms Jennifer Macdonald, Legislative Liaison, with the Arizona Department of Transportation then presented information on the **State Transportation Board and State Department of Transportation**. She outlined the roles of the State, Governor, State Transportation Board, and ADOT. Ms Macdonald touched on the governance issue raised by legislators in the current session.

Mr. Robert Hollis, Division Administrator for the Federal Highways Administration (FHWA), reviewed the **Federal Aid Highway Program**. He outlined transportation planning responsibilities and requirements for local governments receiving state aid as well as key issues and general tenants relative to the planning process.

A report on **Transportation Finance** was presented by Ms Suzanne Sale, Chief Financial Officer of ADOT, giving an overview of transportation finance in Arizona. Ms Sale listed the State's transportation funding sources and highway funding estimates in Arizona over the next 10 years.

Funding mechanisms to accelerate transportation improvements in Arizona were reviewed: highway revenue bonds, Grant Anticipation Notes (GANs), local bonding authority and general obligation bonds. Aviation funding sources were discussed as well as the Federal Airport Improvement Program and the State Airport Fund allocations. A financial overview of the Highway Construction Program was presented as was an overview of transit funding at the state, federal and local levels. Ms Sale explained what TEA-21 legislation did in terms of transit funding through formula grants and

capital investment grants. Arizona will receive \$39 million in program allocations in FY 2000. Innovative financing mechanisms to maximize the revenues available for transportation include: State Infrastructure Bank (SIB), GANs privatized facilities and TEA-21 initiatives to include Transportation Infrastructure Finance and Innovation Act, innovative funds management and value pricing concepts. She provided a detailed explanation of Arizona's State Infrastructure Bank and the benefits it can bring to the system.

On June 10th Ms Carol Colombo, Attorney at Law at Colombo & Bonacci and Mr. John Carlson, Executive Assistant of Transportation from the Office of the Governor gave a presentation on **NAFTA and the CANAMEX Corridor**. Ms Colombo indicated that there is a global economic upheaval and that the implementation of NAFTA needs to adapt, be flexible and creative. She indicated that the goal of Canamex is to make a path of least resistance for trade. Mr. Carlson's Canamex focus was on the highway link. A study is underway on a location site for a Canamex port at the Mexico border.

A **Growing Smarter Commission** presentation and discussion were conducted by Ms Maria Baier, Executive Assistant of Environment from the Office of the Governor, and Mr. Steve Betts, Attorney at Law, from Gallagher & Kennedy. Ms Baier explained that Governor Hull recognizes the importance of growth-related issues, but the character of the communities, natural resources and the economy must be preserved. Mr. Betts explained that the Growing Smarter legislation requires communities to prepare general and comprehensive plans. Mr. Betts explained that the Growing Smarter legislation requires communities to prepare general and comprehensive plans. By state law, all general plans must include consideration of transportation. He stated that general plans include: 1) an open space element, 2) the cost of growth, 3) the growth area; and 4) an environmental element.

On August 12th Mr. Alan Maguire of The Maguire Company, Resource Coordinator for the Task Force, presented a working draft of the research outline for the Task Force. It described the

research effort that the Task Force needs to go through to obtain data and information for the process. He noted that five key goals are identified which the research outline attempts to organize and identify specific tasks related to those goals by committee.

For the Definition of Needs, Revenues and Resources Committee, Mr. Maguire pointed out there are three goals including the identification of long range transportation needs in both rural and urban areas, the development of preliminary estimates of the long term costs, and identification of funding strategies for the multimodal system. He stated that tasks identified include the establishment of standards and methodologies for the estimation of state, regional and local transportation system requirements, estimation of system requirements, estimation of transportation system revenues and analysis of the estimated needs.

For the Planning and Programming Committee, Mr. Maguire referenced two principal goals: identification of planning strategies and the study and recommendation of guidelines and procedures for prioritizing needs and expenditures.

For the Governance Committee, Mr. Maguire stated that their principal task was identified in the Executive Order as a review of the structure and responsibilities of the various governmental entities involved in transportation. Tasks include a review of the structure of other states and identification of federal requirements regarding to whom funding authority can be delegated and accompanying controls. Discussions of alternative models as well as lines of authority, responsibilities and accountability are also included as tasks.

Mr. Maguire expanded on the possibility of using nationally recognized consultants to assist the Task Force. He stated that there are two issues that motivate the potential use of outside consultants: 1) manpower issues and, 2) the benefit of independent verification or validation of the estimates of needs and revenues on which the Task Force will base its recommendations.

Task Force Co-Chair, Dr. Sharon Megdal facilitated a discussion of **Task Force Issues**. This was part one of a continuing dialog on the issues of: 1) What are the expectations for Arizona's statewide multimodal transportation system in 5, 10, and 20 years? What functions do you expect the system to perform? What aspects will be similar to and which will be different from today? 2) What external factors will affect the operation and utilization of the future multimodal transportation system? 3) How should the views of various entities and groups be reflected in the "overall design" of Arizona's long-range statewide multimodal transportation system? Who should have authority over and responsibility for statewide, regional and local multimodal transportation system planning, engineering, construction, operations and maintenance? 4) What are the greatest challenges facing the current planning, programming and delivery systems for Arizona's transportation systems? What are the potential solutions? 5) What sources of revenue should fund the transportation system? What are the equitable, innovative ways to obtain the required funding for the realization of Arizona's statewide multimodal transportation system vision for the 21st Century? 6) What do we, as a Task Force, need to do in order to develop a long-range multimodal transportation plan for Arizona? What do we need to know?

On September 9th, there were several presentations and discussions on Alternative Modes of Transportation. Mr. Ken Driggs, Executive Director from the Regional Public Transportation Authority gave a general presentation on **Alternate Modes**. He provided facts regarding transit and answers to commonly asked transit questions. Mr. Driggs stated that Phoenix is the only major metropolitan area without a dedicated funding source.

Mr. Tom Buick, Chief Public Works Officer, Transportation Director and County Engineer of Maricopa County Department of Transportation, discussed the **Curitiba Transit System** utilized in Brazil. He provided a brief comparison of population, area, gasoline prices, bus fleet, average daily ridership and miles of annual service in Curitiba and Phoenix. He also highlighted statistics concerning the performance of the Curitiba system.

Mr. Wulf Grote, Deputy Director of Capital Programs from the City of Phoenix, talked about **Light Rail**, and Mr. Reed Kempton, Citizen Representative of the Coalition of AZ Bicyclists, spoke of Statewide Bicycle Needs.

Mr. Kempton presented a recommended action plan for state and local governments which includes organizing a bicyclist/pedestrian program, planning and constructing needed facilities, promotion of bicycling and walking, education on laws and regulations, enforcement of laws and regulations.

Mr. Gerald Spellman, a Citizen Advocate of SkyTran, gave the formal SkyTran presentation.

Two citizens, Mr. Joe Ryan and Mr. James Elmore also spoke about **Light Rail**. Mr. Ryan provided copies of a report entitled "Conservatives and Mass Transit: Is It Time for a New Look?" Mr. Elmore stated that due to congestion on the ground, the system would need to be elevated. He provided copies of documents containing further detail on aerial transit systems.

On October 7th members of the Task Force participated in a Task Force discussion facilitated by the Task Force Co-Chairs. There was a discussion regarding the **Summary of Discussions** on December 12, 1999 prepared by Mr. Alan Maguire, consultant to the Task Force. Discussion items included: 1) After several months of meetings, presentations and discussions, what are the most important things the Task Force can accomplish? What approach should we take to ensure these issues are adequately addressed? Have your views changed since joining the Task Force? 2) What aspects of Arizona's transportation system seem to work best? Work adequately? Work poorly? Barely work? 3) How do we appropriately balance the need for specific, identifiable system improvements to support our recommendations and the limitations of a volunteer, citizen Task Force? What techniques might best be utilized to ensure the Task Force's recommendations are considered credible? 4) What do we, as a Task Force, need to do in order to develop a "long-range, multimodal transportation plan for Arizona? What do we need to know? 5) What steps can be taken to better coordinate

transportation planning and other local, regional and state planning activities?

On November 4th Mr. Rick Bowen, Vice President of Bucher, Willis and Ratliff, discussed the State Aviation Needs Assessment (SANS 2000).

Ms Pamela Keidel, Senior Aviation Planner with WSA, gave a presentation on **Small Community Airports Economic Development (SCAED) Program**.

Ms Stacy Howard Western Regional Representative of Aircraft Owners and Pilots Association, discussed the **Benefits of Arizona's Airport System**.

Ms Anne C. Warner, Consultant with ACW & Associates, reported on **Phase I of the Public Participation Process**.

On December 6th, Mr. Alan Maguire presented a discussion draft of the **Interim Report**. He explained that the revisions were based on a number of fairly comprehensive comments by Task Force members.

Ms Mary Lynn Tischer, Assistant Director, ADOT, Planning, Policy & Programming reviewed the current process underway at ADOT to develop a long-range plan. To date, they have met with all of the Executive Directors of the MPOs and COGS. She provided a brief overview of the **Casa Grande Resolves** and the process by which they will be implemented in developing the long-range plan.

Mr. Dick Wright, State Engineer, ADOT, presented an overview of the design build authorization (SB 1253). He explained why the state benefits from the use of this concept, presented a scheduling comparison chart, highlighted the one completed project (I-10/Cortaro Road in Tucson) and the second project that is currently underway (I-17 improvements). Mr. Wright listed the benefits of using design build on the two projects. A third project, not yet underway, will convert S.R. 68 from two to four lanes from Bullhead City to Golden Valley. The last project, 16 miles of general use, HOV and auxiliary lanes on U.S. 60, was also highlighted. Cost and time savings were discussed for all four projects. Mr. Wright

explained that ADOT has a bill before the Legislature to expand the pilot program to add five more projects. He indicated that the concept is accepted by contractors and the engineering community. Mr. Wright provided a detailed explanation of the concept of A+B bidding. He reviewed Arizona's positive experience in using this concept on six projects. He indicated that 38 states now use this contracting method. He confirmed that the process can be applied to other areas, such as transit.

There was then a presentation and discussion on A.R.S. 28-8103, Special Lottery and Vehicle License Tax Monies (Local Transportation Fund).

Mr. Gregg Kiley, ADOT, presented a summary of the Local Transportation Funds Program resulting from the passage of HB 2565, including the program objectives, requirements associated with the program, funding distributions and projected funding. He indicated that the department is in the process of writing a report to the Governor on the status of HB 2565. He provided an overview of the usage of the program in urban and rural areas. As an outgrowth of the program, the State Transportation Board has allocated an additional \$5 million in Surface Transportation Funding to those jurisdictions that use 100% of LTAF II funding for transit. Mr. Kiley highlighted the existing ADOT transit programs: Section 5310 (elderly and persons with disabilities or special needs program) and Section 5311 (rural public transportation). He concluded that the department is very pleased with the result of HB 2565 in getting local transportation funds out to communities. He confirmed that LTAF I still exists and described the differences between it and LTAF II. Mr. Shipman clarified that the funding for LTAF II is from the state's share of vehicle license tax and lottery revenues, not local governments.

Mr. Maguire updated the group on the status of hiring additional Task Force consultants. A number of responses have been received to the solicitations for Needs Revenue and Analytical Consultants, and the search is currently being narrowed. Based on the current schedule, he estimated that the bid awards would be made on December 17.

On December 13th, Governor Hull thanked the Task Force for their work, which she has been following closely. She expressed appreciation to the members for fast-forwarding the process, as was indicated in the Interim Report. Governor Hull acknowledged the urban and rural highway needs and stated that what the State will do is in the best hands of the Vision 21 Task Force and the Legislature. In conclusion, she thanked the Task Force for the time they are giving to the citizens of the state.

Mr. Maguire reviewed the organizational changes made to the Interim Report. He explained that it was presented in such a manner so as to meet the needs of the typical reader, who will either read the Executive Summary or the full report. The Executive Summary is intended to be a summary of the full report. Task Force members emphasized the necessity of the Executive Summary being consistent with the body of the report. It was noted that the report would be placed on the website in a PDF format. Mr. Maguire described the process by which the document would be sent to the Governor and duplicated for public dissemination.

Mr. Alan Pisarski presented a discussion concerning ***Commuting in America*** and Sociodemographic Determiners. He presented slides addressing issues related to the 20th Century and transportation. He discussed trends that have dominated the century and the difficult times that the populace has survived relative to baby boomers coming of age, women joining the labor force and extraordinary growth in just-in-time freight and foreign trade. He emphasized that every county in Arizona is growing faster than the national average. He explained how all of these issues have affected the transportation system. He discussed future trends that will affect commuting and transportation in general. Mr. Pisarski stated his belief that people will demand and be willing to pay for efficient transportation. In conclusion, he stated that the question facing the Task Force is how it will serve the brave new world in the new millennium.

Mr. Clifford Winston, Brookings Institution presented information regarding ***Alternate Route: Toward Efficient Urban Transportation***. He discussed the relationship

between transportation and national productivity. He stressed the importance of keeping in mind that if the transportation system becomes more efficient, it raises the GDP and promotes growth of the country. The core of his research has focused on the concept of privatizing transportation and, therefore, producing dramatic improvements in the efficiency of the system. He suggested that what is needed is market-oriented solutions. He encouraged more efficient use of existing resources before more money is spent. He feels that politics is the fundamental problem with public sector involvement in transportation and that shielding the system from politics will spur innovation. Mr. Winston presented key facts that back up his privatization concept, guidelines for an efficient public sector solution, and listed some of the effects that might be seen if transit is privatized.

Dr. Sandra Rosenbloom, Professor and Director, The Drachman Institute, University of Arizona gave a presentation on *Mobility Challenges* and a summary of her work culminating in recommendations for improving the transit system in the state, thus mitigating the myriad of surface transportation issues that exist. Her studies looked at transit systems that increase ridership. She described traditional riders and discussed the problem with counting on those riders in the future, because traditional systems are seeing shares of traditional riders decreasing while shares are increasing for non-traditional riders. She explained the services that were linked to increased ridership. In those cases, providers focused on large potential rider pools, such as employment centers and large universities. She recommended the development of market-appropriate targets and standards for suburban routes and the disabled population. She recommended the implementation of different performance measures for different markets, addressing a range of solutions to provide those aged 65+ with mobility options, finding ways to regulate private sector operators for public safety but encouraging them to operate, and targeting the huge market of young people. In conclusion, Dr. Rosenbloom emphasized the need to understand the market in Arizona and find ways to respond to the needs of the people.

Both Mr. Pisarski and Mr. Winston confirmed that the transit share is 5% of the commuting public.

Mr. Bill Stephens, representing the Earth Millennium Project, emphasized the need to ban motorized skateboards on the streets, think in futuristic terms and think of we and us so that Phoenix doesn't turn into L.A. He commented on the poverty that is evident on the drive to the capitol. He called for 24-hour transit service throughout the State, an overhead monorail system in the Valley, a state transit authority, a heavy tax on gasoline to encourage the use of alternative transportation means, and bullet trains between Tucson and Phoenix, Phoenix and Flagstaff, and Yuma and Phoenix.

2000 Task Force Meetings

The Task Force met on February 29th, March 17th, March 18th, June 7th, August 11th, October 24th, November 21st, and December 28th 2000.

On February 29th, Mr. Alan Maguire informed the group that the following consultants had been retained: Needs Consultant—Booz-Allen & Hamilton (BAH), Revenue and Resources Consultant—Smith Wilbur Associates (WSA), and Analytical Consultant—Booz-Allen & Hamilton. Mr. Maguire described the firms, noted their principals and provided an overview of their experience.

Mr. Maguire recapped a meeting he had with the Extended Steering Group and presented a tentative meeting schedule and overall work plan. He stated that he envisioned the plan to contain: 1) 20-year multimodal system requirements; 2) proposed revenue structure balanced with system requirements; 3) recommendations with respect to governance system reforms; and 4) planning and programming reform recommendations. With this in mind a detailed sequence of events was developed. He highlighted the major categories and explained how hypothetical plans would be used to provide information and analysis for the Task Force's use in drafting its own plan.

During a preliminary discussion of transportation system performance measures Mr. Tarek Hatata of BAH, provided a brief overview of the "big

picture” development of the plan, broken down into three steps: 1) Where is the system at today? 2) Where do we want it to be in the future? and 3) Development of strategy to achieve goals.

Mr. Yonel Grant of BAH, went through the Consultants’ Transportation System Performance Measures slide presentation covering the consultants’ objectives relative to needs and analytical components of the statewide plan, the critical need for policy guidance from the Task Force and the five modal systems in the plan. He also discussed transportation needs—broken down into three categories for preservation, operations and expansion, the difference between rural and urban projects relative to the three needs categories and performance measurement framework elements. The presentation showed the relationship between transportation outcomes and outputs, recommended outcomes of the project (i.e. safety, mobility, accessibility, cost effectiveness, sustainability, environmental quality and economic well-being) how projects affect those outcomes, and how policy guidance from the Task Force will drive the “best mix” of anticipated outcomes and the final statewide plan.

On March 17th the Full Task Force held the first day of a two-day retreat in Casa Grande. Mr. Marty Shultz, Co-Chair of the Task Force, called for opinions on “Best aspects of the Arizona transportation system.” He requested that the comments be categorized by Needs, Revenues, System of Governments and Planning and Programming areas. After considerable discussion, he introduced the next topics as “the worst aspects of the existing AZ transportation system, and what would you like to change in the current transportation system?”

On March 18th, the Task Force met for the second day of their retreat. Ms Diane McCarthy discussed the handout and findings of the Planning and Programming Process Committee and Mr. Kevin Olson mentioned that the Planning and Programming Process Committee had deduced that performance measures and reporting processes were very important and would contribute to the vision of an overall transportation plan.

Mr. Yonel Grant of BAH, stated that he was closer to completing the database and that at this point, one quarter of the available data had been input. He further stated that the needs and performance measures were not well-defined by this data. He said that quantitatively speaking, there was much documentation, but qualitatively, there was not, although he was sure that more information would become available soon. He stated that he would be able to tailor reports based on what information the Task Force was seeking from the database.

Mr. Hatata of BAH said that the data would empower the planning process in the decision-making area and in the area of clarity for the public.

Mr. Maguire then presented a summary of all findings of the retreat to Task Force members. He stated that some priorities however had already been modified after printing of the findings. He suggested reading the list of priorities and deciding on their importance. He began the discussion of the priorities by asking for clarification between economic development and economic vitality. After discussion, the Task Force adopted a series of transportation system goals.

On June 7th, a panel of experts addressed the Task Force. The panelists included Mr. Pitu Mirchandi, University of Arizona; Mr. Tim Wolfe, Arizona Department of Transportation, Mr. Bill Hayden, Arizona Department of Transportation, Mr. Terry Johnson, Maricopa Association of Governments, Mr. Richard Bishop, Richard Bishop Consulting, Mr. Mike Frisbie, City of Phoenix, and Mr. Richard Nassi, City of Tucson.

Mr. Marty Shulz began the discussion of capacity enhancement strategies and intelligent transportation systems by suggesting that if Arizona can intelligently select capacity enhancement strategies it will have accomplished a great deal towards its 20-year plan.

Mr. Nassi referred to a handout entitled ***Get More 'Go' Out of Traffic Signals***, which outlines the guidance policies he recommends the Task Force consider in terms of state and local traffic signals. He explained that there are

two main elements, signal phasing and roadway design. He stated that signal spacing is one of the most critical factors in timing signal progressions. He noted that Tucson recently passed a bond program for the development of a short-term Intersection Traffic Control, Safety and Air Quality fund. He suggested that a similar fund be established statewide.

Mr. Frisbee stated that the City of Phoenix has an advanced traffic management system that is approximately 80% complete. He noted that they have approximately 900 traffic signals throughout the city.

Mr. Mirchandi, Director of the ATLAS Center, stated that ROADS, a real time traffic adoptive control system, is one of their main research projects. He explained that the idea behind ROADS is that detection is taking place all the time and that detection can be used to predict what traffic will be like over the next few minutes and adjust the signals as necessary. He stated that, while they have not implemented anything on the streets yet, through partnerships with the cities of Tucson and Tempe, ADOT, MAG, PAG and the Federal Highways Administration they have been able to plan some field tests. He explained that the main difference between this program and current practices is that it will use algorithms to predict traffic patterns.

Mr. Wolfe stated that many people see intelligent transportation systems as a panacea to solving all transportation problems, however he characterized it as a tool to gain safety and capacity improvements. He explained that there are four categories in the intelligent transportation system, urban, rural, commercial and intelligent vehicles. He stated that the commercial category is driven by industry. The newest category, intelligent vehicles, gives the driver tools to make better decisions. He noted that while ramp metering improves congestion on the freeway, it causes arterial street congestion.

Mr. Johnson stated that fundamental things such as adding lanes, completing streets and adding turn lanes can all expand capacity. He suggested that neighborhood consequences including landscaping and noise walls also need

to be looked at. He stated that demand management, including car-pooling, van pooling and alternate work hours would also help with capacity. He stated that their sophisticated models are capable of testing the different approaches to determine which strategy would be the most effective and efficient, however data used in those models has to be accurate and current.

Mr. Bishop stated that intelligent vehicles address both safety and capacity, with safety being the most important aspect. He referred to a handout entitled ***Opportunities for Arizona*** which outlines how Arizona can take advantage of intelligent vehicle technology. He also suggested that attendees review other handouts concerning ***Smart Cruise 21***, bus rapid transit, an ADOT report on intelligent truck lanes and the intelligent vehicle initiative.

Mr. Mike Navaras, Operations Manager, City of Phoenix Transportation Department, urged the Task Force to look at public transit.

On August 11th, there was a roundtable discussion of identified overall system goals. Dr. Sharon Megdal highlighted the ***Summary of Identified Overall System Goals*** established at the Task Force's retreat in Casa Grande in March.

Ms Barbara Ralston recapped a discussion of the Definitions of Needs, Revenues and Resources (DNRR) Committee and a consensus for a needs based analysis to be included with every project.

Task Force members discussed the issue of actual costs versus cost estimates on transportation projects.

During a discussion of future scheduling, Dr. Megdal presented a list of outstanding issues that had been identified: 1) land use and transportation, 2) aviation, 3) tribal lands and transportation, 4) rail service, 5) the Vehicle License Tax, and 6) the impact of the ballot issues after the November elections.

Mr. Maguire reviewed the current activities of the consultants. He stated that the "needs" consultants had another 30 days of work to do, but that WSA, the Revenue Consultant had

almost completed the majority of their task to compare Arizona to other states. Next, they will develop projections for alternative revenue sources. Based on the work of the Needs and Revenue consultants, the Analytical consultants, BAH, will be preparing three hypothetical, 20-year plans.

On October 24th, Mr. Alan Maguire provided an overview of the progress reports from the three subcommittees. He commented on the purpose of the summary format to enhance one's ability to locate information quickly and that the committees are making good progress towards the development of recommendations.

Ms Alberta Tippeconnic, Assistant Director, Inter-Tribal Council of Arizona, Inc., spoke of the importance of the transportation system on tribal lands, which make up one-third of the state. She touched on the background of the tribal governments and described the ITCA, its goals and objectives, history and make-up. She stated that it is important to understand the tribal relationship with the federal government and the laws and policies established many years ago.

Mr. Linus Everling, Senior Counsel, Gila River Indian Community, provided an in-depth presentation on the history of the federal/tribal relationships, dating back to the 17th Century. He provided an overview of the Doctrine of International Law and the Northwest Ordinance of 1787.

Mr. Ben Nuvamsa, Superintendent, Fort Apache Agency, Bureau of Indian Affairs, presented an overview of the Indian Reservation Road (IRR). He covered the IRR statutory authority, the purpose of the program, eligible IRR activities, IRR system, definition of the BIA road system and BIA road system funding sources and funding authorizations from 1997 through 2003.

Dr. Greg Saxe, Planner Supervisor, Tohono O'odham Nation, presented a map of the Tohono O'odham nation, the second largest Native American Nation in the U.S. He noted that it is served by only one state highway. He commented on the unique governance structure and the problems they encounter serving the population from a transportation standpoint. He highlighted the design deficiencies of their road

system, the associated high accident severity and the cost of the deficiencies to the government. He stressed consultation and coordination requirements and the fact that transportation issues cross geopolitical boundaries.

Lt. Governor Richard Narcia, Gila River Indian Community, called for a focus on consultation between government jurisdictions. He reminded the Task Force members that the Department of Transportation policies also require consultation with tribal governments. He noted numerous documents requiring government entities to work together and expressed a strong desire to partner with the state to better use transportation funds.

Mr. Mike Johnson, Arizona Airports Association, provided an overview of the history of the association, a review of the important issues in aviation in Arizona, national and Arizona air travel statistics. He discussed aviation as a component of a multimodal system in Arizona and stated that aviation represents a sound investment in Arizona. He commented on the economic impact of aviation and explained the use of aviation funds. He recommended that the Task Force's final report include language outlining the systemwide airport needs, encouragement to return the flight property tax, and the consequences of not doing so.

Mr. Daniel Burkhart, National Business Aviation Association, Inc., compared the aviation system to the Phoenix transportation system and discussed the impact of one system on the entire U.S. air system. He emphasized the need to manage the airports and enumerated the airport needs and substantial impact on businesses. He quoted a mayor from the Midwest as saying, "Your airport is your most important main street—please take care of it."

Ms Stacy Howard, Aircraft Owners and Pilots Association, gave a presentation on **Arizona Airports—Access to America**. Her presentation described Arizona's airports as on-ramps to the nation's air transportation system. She highlighted the importance of business support services, access to emergency services, and enhanced medical service. She pointed out that investment in Arizona's airport system

provides high economic and humanitarian returns. She also stated that airports need more than pavement; they need land use planning, infrastructure, safety and security.

On November 21st, Dr. Sharon Megdal referred to a previous discussion about the Task Force's recommendation relative to the restoration of the flight property tax.

Mr. Alan Maguire introduced the topic of the 20-year, multimodal, hypothetical state transportation plans and reminded the Task Force members that this is the first time Arizona has attempted to create a statewide, long-range plan with a visionary component. He discussed the data collection and validation exercise and the comprehensive process to evaluate revenue sources. He stated that the consultants have developed a variety of alternatives on which to base the comprehensive hypothetical plans.

Mr. Yonel Grant, BAH, updated the Task Force on the status of the database update, which is now 99% complete and captures projects for all modal systems in Arizona over the next 20 years. He described the work of the data consultant over the past six months and the classification of the projects into three categories: preservation, operations and expansion. Mr. Grant described the effect of the categories upon both rural and urban areas, providing examples to demonstrate the differences. He then reviewed the breakdown of costs by project type and mode. Mr. Grant reviewed the five steps to cost normalization, discussed the identification of high and low cost outliers, and the incorporation of the results into the cost normalization database.

Mr. Grant then presented the hypothetical plans, which were formulated by four main drivers. He provided an overview of the four hypothetical plans developed by the project team, including the cost estimates. He explained that all projects were adjusted for inflation and brought down to year 2000 dollars.

Ms. Linda Carpenter presented an overview of the potential alternative revenue sources, discussing the selection process. She provided a detailed review of the revenue sources used in the hypothetical packages, including typical

yields by source, options for generating \$5, \$10, \$15, and \$20 billion in additional revenue, and the impacts of the revenue package options for the typical household in a single year. She noted for comparison purposes that Arizona's 18 cent gas tax ranks 40th in the nation with the average being 22 cents.

On December 28th, Mr. Marty Shultz provided copies of a press release on the results of a Maricopa County study, which called for a improvement of transportation to make Arizona the place citizens would want to live in the next 20 years. Transportation dominated as the number one issue among the respondents. Mr. Frank Thorwald referred to a study among rural Chambers of Commerce and cities, which also found transportation to be one of the top ten issues of concern.

Mr. Yonel Grant, BAH, highlighted the research done since the last meeting to refine the data. He outlined the major components of his presentation: the context for transportation needs growth, the hypothetical plans themselves and the benefits and the next steps in the process. He presented a chart depicting population growth as a major driving factor for transportation trends in Arizona in the past and over the term of the long-range plan. He provided examples of freeway levels of service to give the Task Force a point of reference for comparison purposes.

Mr. Grant continued with in-depth descriptions of the purpose, key elements and project examples for each of the four hypothetical plans. He highlighted the cost allocations by mode of transportation for each plan. He presented no build/build service level comparisons that would result from plans 3 and 4.

Ms. Linda Carpenter, WSA, provided a presentation on the revenue side of the hypothetical packages. She shared estimates of the base case revenues available over the next 20 years in constant 2000 dollars by transportation mode. The results show that HURF is the main source of highway revenue anticipated over the next 20 years. Half of these funds come from fuel taxes, which are impacted significantly over time by inflation and fuel efficiency. She stressed the importance of

looking beyond fuel taxes to help fill the funding gap. She noted that available revenues had been reduced by debt service requirements.

Ms Carpenter continued her presentation with a summary of highway revenues after debt service obligations are met, distinguishing between what can be used for capital and operating for transit. She noted the difficulty in estimating how the transit sales tax revenues would be spent but presented some assumptions. She presented an overview of additional revenue sources considered in 1994 and 1995. She highlighted potential revenue yields of the alternative sources, which had been pared down to a list of those that would actually generate the substantial levels of revenues needed. She detailed yield estimates on an average annual basis and over the 20-year period. She confirmed that Yavapai, Pinal, Gila and Maricopa counties all have half-cent sales taxes dedicated to transportation.

Task Force members discussed toll roads. Ms Carpenter and Mr. Alan Maguire explained that tolling and congestion pricing are more project specific financing mechanisms rather than new systemwide revenue sources.

Ms Carpenter presented revenue option packages that would generate \$5, \$10, and \$20 billion over the 20-year period pointing out that gas tax revenues are restricted for use on highway projects, whereas sales tax revenues would be unrestricted.

2001 Task Force Meetings

The Task Force met on January 12th, February 13th, March 1st, and March 22nd, June 27th and October 16th 2001.

On January 12th, Co-Chair, Dr. Sharon Megdal opened a discussion of 20-year, multimodal, hypothetical state transportation plans. She called for the Task Force members to provide priority and direction for the consultants. She then updated the group on the status of the three subcommittees.

Mr. Alan Maguire presented the summary of the Task Force survey, which had been updated to

reflect additional input. He reviewed the outcomes of the survey and noted that there had been only slight changes. He compared the survey results to the goals adopted at the retreat. Mr. Maguire outlined what information would be presented at the public hearings: what has been done, the scope of the state's transportation needs, costs associated with those needs, the need for revenue changes, the need for consistent data, needed improvements to the planning system, a call for direction on a quantitative plan, and the costs associated with that plan.

On February 13th, there was further discussion of the 20-year multimodal state transportation plan. Mr. Yonel Grant of BAH, stated that a lot of research had been done since the last meeting, especially in the area of looking beyond the database. A key point was that the expected population increase statewide for the next 20 years would be 48%. He discussed the various methods employed to gather data not already available. Mr. Grant further stated that expansion needs for bus and rail systems were identified as a high priority in their research results, as were aviation concerns.

Ms Linda Carpenter of WSA, discussed the impact of the hypothesized revenue package, which outlined possible methods for funding the \$41 billion plan. She discussed the possibilities generated by HURF and stated that the Maricopa County Road Tax could generate as much as \$33 billion, although it was scheduled to cease in 2006.

On March 1st, Dr. Sharon Megdal discussed the goals and objectives for discussion of the **20-year, multimodal, hypothetical state transportation plan**. Mr. Alan Maguire and the consultants provided additional information about the 20-year plan, noting that the consultants had done quite a bit of work to illustrate the impact over 20 years. Since the last meeting the consultants did the following four things: 1) determined the highest priority projects in the database based on direction of the Task Force, 2) identified corresponding project costs and included them in the plan, 3) built a bottom up budget to fund basic operations, system expansion, and certain priorities, 4) balanced the information to identify

what could be funded while keeping the plan from being project specific. Mr. Maguire outlined the steps taken to come up with the proposed \$61 billion plan.

Mr. Yonel Grant, from BAH, began his presentation stressing the importance of the maps created by the consultants as the plan is taken to the public outreach meetings. He presented maps of the major transportation corridors, base year level of service for all major statewide corridors, 2020 no-build level of service, 2020 build level of service (draft plan), a comparison of the build versus no-build at 2020, existing bus service, new express bus service (based on Transit 2000 funded proposal) and additional express bus service (draft plan). He continued his presentation by reviewing a map of hot spots that exist along major corridors during peak hours in the Phoenix metro area. He also highlighted the "do nothing through 2020" repercussions on mobility in the MAG region.

Ms Linda Carpenter, of WSA, provided a background summary of key factors that led the Task Force to where it is in terms of a draft revenue plan. She reviewed the key assumptions and forecasts covered in previous meetings, the base case revenues, alternative revenue source, the criteria used to come up with the five revenue sources recommended in the plan and a needs and revenue comparison.

Ms Carpenter continued with a review of three options for generating the needed \$20 billion. Mr. Maguire stated that he is tracking the restricted/unrestricted HURF revenues to help the Task Force make its decision. Ms Carpenter presented a graph depicting the key impacts on households of each revenue alternative.

Dr. Megdal called for an overview of each committees' recommendations and requested that Task Force members provide the committee chairs with a sense of key questions they would like to see addressed. Mr. Mawhinney reviewed the recommendations of the Definition of Needs, Resources and Revenues Committee. Mr. Olson reviewed the recommendations of the Planning and Programming Committee. Mr. Davis reviewed the recommendations of the Governance Committee and provided copies of

letters to the Task Force from Maricopa County Supervisors Stapley and Kunasek as well as an editorial from the Arizona Republic.

Mr. Jim Bourey, Executive Director, Maricopa Association of Governments, conveyed the position of the Regional Council in opposition to the Governance Committees' recommendation regarding regional districts. He reiterated the problem that the recommendation creates another layer of government and moves decisions from the cities to a single purpose agency. Mr. Bourey submitted the Regional Council's request that the Task Force participate in a discussion with the MAG Regional Council on the issue of governance.

On March 22nd, Ms Linda Carpenter, of WSA, reviewed the Suggested Revenue Plan. Ms Carpenter stated that existing revenues amount to approximately \$41 billion, however, they have identified additional needs totaling approximately \$61 billion. Therefore the state needs to identify \$20 billion in additional revenue. She explained one plan that was developed with an initial 5¢ increase in 2002, a 4¢ increase in 2005 and a 10¢ increase in 2010 and 2015 for a total of \$5.7 billion or 28% of the required funds. She said the statewide sales tax surcharge is proposed to be phased in, beginning with a .25% surcharge for transportation in FY 2002. An additional .5% surcharge is proposed in FY 2006 to coincide with the expiration of the Maricopa County Regional Area Road Fund tax. The sales tax generates the vast majority of the revenue package, at approximately \$13 billion. She reviewed alternative revenue sources that could be considered, if it becomes necessary to supplement the revenue generated by the primary revenue sources. She also reviewed key impacts of the suggested revenue plan. Based on a two-car household with a \$40,000 household income, the total annual impact per household would equate to \$244 over the 20-year period.

Mr. Alan Maguire reviewed the Draft Preliminary Recommendations noting that they were organized into four major categories: 1) improve transportation planning and programming processes; 2) enhance transportation system accountability and responsiveness; 3) develop a 20-year statewide transportation system

"budget" and 4) identify and establish transportation system funding priorities.

On June 27th, Mr. Marty Shultz thanked the Task Force members and the consultants for the substantial work that had already been completed and for the work they are going to do with respect to the public input process. Prior to the meeting, the Task Force members reviewed the materials that would be used in the public input process.

Mr. Alan Maguire then presented a summary of the materials. He discussed the open house format and how the materials would be used. He noted the demographic components of the surveys. He explained that the staff is in the process of conducting two modified focus groups comprised of a diverse group from Phoenix and Tucson. He described the questions being asked and the ranking of the responses. He then outlined how the results would help the Task Force in its final recommendation. It was explained that focus groups are another way to get public input, albeit in a more controlled format. He explained that a consultant had been retained to achieve the public outreach goals.

There was then a review, discussion and some modification of the Preliminary Recommendations.

On October 16th, Mr. Alan Maguire presented the **Report on Transportation Open Houses**. He highlighted the public notification of each open house, the format, materials presented and the attendance at the ten open houses conducted in southern, central and northern Arizona over the summer. The demographic findings of those attending the open houses were noted. He reviewed the results of the request for transportation priority identification, the transportation system tax increases in rank order, and the five most significant transportation routes.

Mr. Maguire next presented the **Qualitative Results Report of the Modified Focus Groups** conducted to discuss preliminary Task Force recommendations. He reviewed the participant selection methodology and demographics of the 80 participants. The key findings from the focus groups were discussed.

They included the top five priorities in terms of transportation improvements, participants' satisfaction with the current system, key transportation routes, funding preferences and funding levels.

There was then a review, discussion and some modification of the **Draft Task Force Recommendations**.

During a review of possible **Task Force Findings**, Mr. John Carlson reported that over the past four months he had gone through all information related to the Task Force findings to create data points to back up the recommendations and findings of the Task Force.

On November 13th, Mr. Maguire reviewed the Needs and Analytical Consultant's and Revenue Consultant's Final Reports, pointing out that most of the information remained unchanged. He explained that Booz Allen's main goal was to develop a needs database and then develop four sample plans based on priorities identified by the Task Force, establishing a \$61 billion budget for total system needs.

Mr. Maguire noted Wilbur Smith's report is almost identical to the Suggested Revenue Report provided to Task Force members at a prior meeting. He explained Wilbur Smith's first responsibility was to project revenue sources, noting their forecasts do not reflect the current economic slowdown. They identified sources for a total of \$41 billion, as compared to the \$61 billion in identified needs, leaving a \$20 billion deficit.

Mr. Maguire then presented an update on the statewide survey results explaining that the Task Force obtained statewide input utilizing three techniques: 1) two focus groups, one in Pima County and one in Maricopa County; 2) ten Transportation Open Houses and 3) a statewide telephone survey questionnaire. He reviewed the methodologies used in obtaining information and maintaining control over the demographic distribution. He outlined a number of notable findings (on a scale of 1 to 10 with 1 being low and 10 being high) as follows: Statewide average ranking in terms of satisfaction with the state's transportation system components

between 4.4 and 6.9 with a 6.9% satisfaction rating with highways around the state and 6.8% with freeways. 15% of respondents from Pima County ranked satisfaction with main streets in their region a 6 or lower and 55% ranked neighborhood streets a 6 or lower. In other areas of the state, 71% of the respondents ranked highways a 7 or higher and 79% ranked freeways as 7 or higher. 52% of respondents said they were unsure of the level of transit services in their area, resulting in an average score of 4.4. Satisfaction in the remainder of the state was highest for highways, freeways and transit, while Pima ranked highways, freeways, neighborhood streets and main streets lowest. The survey spoke to certain components of the system and did not provide a relative comparison of those components.

Spending priorities was the second major area covered in the survey. Mr. Maguire identified the number one issue statewide as being special needs Dial-A-Ride services, noting it was the only category to receive over a 50% high priority score. Highway maintenance and local transit were identified as the second and third highest priority issues, respectively. Street capacity was the number one issue in Pima County and additional freeway lanes was number one in Maricopa County. Both urban areas identified improved express bus service as a high priority item. Note: respondents were asked to rank the priority of each component separately, not as compared to other components.

The next area addressed in the survey was willingness to spend more public dollars for transportation purposes. 65% of respondents statewide indicated they were willing to spend more for transportation purposes. There was a direct correlation between willingness to spend and satisfaction ratings.

Mr. Maguire reviewed results for specific tax funding, noting 52% of respondents statewide indicated they would support a one cent increase in the gas tax every other year for fifteen years. However, 49% of respondents statewide supported a one cent per gallon increase every year over the fifteen years. 50% of the respondents supported a ¼% sales tax increase, 42% supported a phased in ½% sales tax increase and 39% supported a phased in ¾%

increase. The 1% development fee received 55% support statewide and was the only increase supported in all three regions of the state. There was less support for a gas tax or sales tax increases in the remainder of the state, suggesting that respondent reluctance reflects that area's higher satisfaction with the current system's components. I-10 was the most popular road identified for improvement in the state, receiving a score of 85%. I-17 was the second most identified route. Pima County residents identified I-19 as their second choice and local streets as their third.

In regards to commuter patterns, Mr. Maguire reported 78% of respondents drive alone, 10% carpool and 1% utilize public transit. 55% of the respondents reported primarily utilizing local streets to get to and from work or school, while 27% said they used highways and 19% used a combination of both. The average commute time was 20.4 minutes. The number of commuters in Pima County who use local streets was dramatically higher than the state average.

On December 13th, Governor Jane Dee Hull addressed the Task Force and assured them that their report would be reviewed in detail and, while some recommendations might not be feasible, most would proceed towards implementation. She stated she recently signed an Executive Order that will look at the creation of an Aviation Council and signed legislation returning aviation taxes to the State Aviation Fund. She concluded her comments thanking each member for their participation and dedicated efforts.

Following the Governors' comments, the Task Force Report was approved for transmittal to the Governor.

Dr. Sharon Megdal and Mr. Martin Shultz acknowledged Task Force staff assistants, Mr. Matt Carpenter and Ms. Lisa Pendrick for their tireless efforts and behind-the-scenes assistance. Members of the Task Force thanked the Co-Chairs, other members and all those that supported the work of the Task Force.

Definition of Needs, Resources and Revenues Committee

1999 DNRR Committee Meetings

The Definition of Needs, Resources and Revenues Committee met on April 22nd, May 20th, July 8th, September 9th and October 27th 1999.

On April 22nd, Ms Suzanne Sale, Chief Financial Officer of ADOT, reviewed the department's current highway revenue data approach and provided an overview of previous Arizona highway revenue studies. A broad overview of the comprehensive transit study conducted by the Arizona Transit Association was then presented by Mr. Jim Shipman, Executive Director of the Arizona Transit Association. Mr. Bryan Jungwirth, Director of Grants and Contract Services from the Regional Public Transportation Authority, reported that the urbanization of AZ creates a need for transit. Mr. Jungwirth reviewed the current network and outlined the goals of transit. Mr. Gary Adams, Aeronautics Division Director, ADOT, provided the Committee with an overview of the key differences in funding between aviation and other modes of transportation.

On May 20th, Mr. Dale Buskirk, Acting Director of the Transportation Planning Division, ADOT provided the Committee with an overview of the 1995 Arizona ***Transportation Needs Assessment*** as well as existing, current needs information. Mr. John McGee, Chief Financial Officer of ADOT, led a preliminary review of a ***Preliminary Revenue "Matrix"*** and discussion of "Missing Revenue Information". Then Mr. Alan Maguire provided a brief overview of the preliminary committee work process outline.

On July 8th, there were two presentations and discussions. The first presentation, ***MAG's Long Range Transportation Plan***, was conducted by Mr. James M. Bourey, Executive Director, and Mr. Eric Anderson, Freeway Program Manager, Maricopa Association of Governments. This was followed by a discussion of ***PAG's Long Range Transportation Plan*** conducted by Mr. Thomas L. Swanson, Executive Director, and Mr. Joseph McCullough, TIP/MTP Program Manager, Pima Association of

Governments. Mr. Maguire provided some introductory remarks to both presentations, listing important similarities, i.e. both plans are fiscally balanced and incorporate certain tax rate increases, however, use different approaches in calculating needs.

On September 9th, Ms Barbara Ralston led a roundtable discussion of issues for the Committee. Although no final actions were taken, Committee members discussed a variety of issues concerning the future of Arizona's transportation system, various charges for the Task Force in the Governor's Executive Order and future issues and activities. Mr. Dick Wright, Deputy Director, ADOT, talked with the group about ***Costs Associated with Maintenance and Operation of the State Highway System***. Mr. Jim Delton, Pavement Management Engineer, ADOT, gave a presentation on ***Pavement Preservation***.

On October 27th, Ms Mary Lynn Tischer and Mr. Buskirk presented the analysis of needs of the state highway system developed using the Highway Performance Measurement System (HPMS). Mr. Joe Albo, Director of the Department of Public Safety, presented the Police Allocation Model (PAM) used by the agency and provided the Committee with DPS's crash scene management policies and procedures.

2000 DNRR Committee Meetings

The Definition of Needs, Resources, and Revenues Committee met on April 25th, June 21st, July 26th, September 19th, November 8th, and November 28th 2000.

On April 25th, Mr. Alan Maguire updated the Committee on the continuing work of the Task Force's Needs and Revenue Consultants. In addition, the Committee reviewed two issues raised at the Task Force's earlier retreat in Casa Grande. First, Mr. Chuck Eaton, ADOT, briefed the Committee on the operation of the ***Department of Transportation's "Life Cycle" Financial Management System*** as it

is applied to the Maricopa regional freeway system and how it might be applied to the statewide transportation system. He continued his presentation with a review of the Life Cycle Program opportunities and benefits, ***Life Cycle Program Management, Regional Freeway System Life Cycle Program*** and distributed ***Regional Freeway System Life Cycle Certification***.

The Committee also reviewed materials prepared by Ms Mary Lynn Tischer and Mr. Maguire and discussed issues surrounding ***the standardization of transportation data*** throughout the state of Arizona and the methods and procedures for collecting and reporting such data. A copy of ***Standardization of Data and Methodologies Used in Transportation Planning and Reporting*** was provided for the Committee.

On June 21st, Mr. Yonel Grant of BAH and Ms Sandra Weir of Mosaic Analytical Planning provided the Committee with an ***update on the needs database and development process*** as well as the general character and statistical attributes of projects within the database. Ms Weir provided an in-depth demonstration of the database indicating that the database is the result of many documents. She explained that there are two bodies of information in the database, a documents table and a projects table. She verified that all entities responsible for transportation planning and projects had been contacted. In addition, Mr. Grant led a ***discussion of transportation system criteria***, including performance criteria, that should be considered in the development of the Task Force's long-range multimodal transportation plan. In connection with this discussion a ***Needs and Analytical Consultant Progress Report*** was distributed.

Mr. Mark McLaren, SR Beard & Associates presented ***Transportation System and Factors Affecting Growth***. He reviewed passenger and freight rail services, the statewide airport system, an intermodal facilities map, and roadways by region and functional classification. Mr. McLaren provided an overview of transportation growth factors and factors affecting growth, including population density in the state, urbanization density in Arizona, and

forecasted population increases by county through the year 2020.

On July 26th, there was a recap of the Task Force's retreat for committee reference before a roundtable discussion of Arizona's future transportation system led by committee Chair Ms Barbara Ralston. Twelve key points were discussed during the roundtable: 1) improve commuting; 2) maintain and preserve existing assets; 3) creation of a state framework to control funding and long-term planning; 4) integration of highway and mass transit systems; 5) intergovernmental cooperation; 6) accommodation for population growth; 7) private/public partnerships; 8) maintenance of economic viability; 9) answer the question of benefits to the public; 10) creation of a regional/local taxing authority with state approval for regional projects; 11) creation of a use tax structure to incentivize desired behavior; and 12) identification/isolation of immediate changes that can improve transportation issues. During the round table discussion the Committee identified a variety of principles, goals and components of Arizona's future transportation system and then prioritized those principles, goals and components.

Ms Linda Carpenter of WSA, provided the Committee with an ***update on the Task Force's revenue assessment***. Ms Carpenter distributed an ***Overview of Existing Revenue Sources, Emerging Issues and Potential Alternative Revenue Sources***. She gave an overview of existing revenue sources, emerging issues and potential alternative revenue sources. Ms Carpenter discussed how the current study differs from previous studies, noting that it is much more comprehensive than studies done in 1995 or 1997.

A report titled ***The Metropolitan Planning Organizations: An Assessment of the Transportation Planning Process*** was distributed.

On September 19th, guest panelists included Mr. Sam Morse, Mr. Rob Bohannon, and Mr. Earl Eisenhower from the Arizona Rail Passenger Association (ARPA) and Mr. George Chilson of the National Association of Railroad Passengers (NARP). Representatives of the Passenger Rail Associations, presented issues concerning the

operations of rail passenger service within the state of Arizona. Mr. Chilson explained that NARP's mission is to educate government and business leaders about the value of rail in meeting future transportation needs. Seven key reasons for including rail in Arizona's transportation plan are: 1) rail expands choices in a reliable, safe and non-polluting way; 2) guarantees mobility; 3) cost-effectiveness; 4) attractiveness to users; 5) enhanced appeal of the entire multimodal system; 6) increases state's credibility in public transportation; and 7) reduces sprawl by encouraging more compact density development. He made available his report, **The Case for Rail**. Also made available from ADOT was a report titled **Arizona State Rail Plan Updated 2000**.

Mr. Eisenhower provided members with a copy of a draft report entitled **Rail Passenger Service Goals for Arizona**, researched and prepared by ARPA. He explained that ARPA's goal is to convince people that rail is the transportation method of the future.

Mr. Maguire presented materials prepared by the Department of Transportation and led a discussion on purchasing abandoned railroad rights of way that are currently scheduled for abandonment and sale. Mr. Maguire referred to an ADOT paper entitled **Protecting Abandoned ROW**, which discusses the history of abandoned rights-of-way and funding assistance.

Mr. Maguire then updated the Committee on the progress of the Task Force's Needs and Revenues Consultants. Mr. Maguire reported that the consultants are finishing up their work and the Analytical Consultant will come in soon. He explained that the consultant will create three hypothetical plans to help the Committee look at alternative ways to develop a long-term plan. Mr. Maguire handed out a discussion outline, **Development of "Hypothetical" Comprehensive, Long-range, Statewide, Multimodal Transportation Plan**.

On November 8th, Mr. Yonel Grant of BAH, introduced the newest member of the project team, Mr. Mike Ferrari and then provided the Committee an update on the transportation needs database. He explained that the project

team had focused their efforts in three areas since the Committee last met, including updating the database, cost normalization methodology and development of parameters for hypothetical plans.

Ms Linda Carpenter of WSA, gave an update on transportation revenues. She began her presentation by noting that the figures that would be discussed were expressed in constant year 2000 dollars and would not account for the impact of the alternative fuel vehicle tax credits. She distributed **Highlights of Future Revenues and Revenue Yield of Selected Alternative Revenue Sources**.

Mr. Gary Adams, ADOT Aeronautics Division Director, presented an overview, **SANS 2000 Update**, highlighting the performance based aviation needs studies conducted since 1985, project elements of the 2000 needs study, status of the current study, the oversight of the study by the 29-member Project Advisory Committee, principal project team members, and the SANS 2000 study goals and objectives.

Mr. Joe Breyer, Works Consulting, provided an overview of the Arizona Transportation Information System (ATIS) project, discussing how the Task Force's efforts can be augmented using the data in the system. He explained the Highway Performance Monitoring System and its use in satisfying federal government issues for highway funding appropriations. His presentation referred to **Coordinating and Standardizing Arizona's Transportation Infrastructure Databases** and a letter to Mr. John Carlson and Mr. Maguire from Mr. Breyer dated October 30, 2000.

Mr. Tom Buick, Arizona Association of County Engineers, presented the **Countywide Needs Study 2000 Update**, as a complement to the statewide needs study.

On November 28th, Mr. Paulson Chaco, Ms Rita Thomas and Mr. John Largo, of the Navajo Nation Department of Transportation gave a tribal transportation issues presentation. Mr. Largo explained that they have five major Transportation Roads Committees that meet monthly to plan road projects, economic development and community development for

local areas. He reviewed their Road Maintenance Program stating that many of their roads are not maintained properly. Within their presentation on the **Navajo Nation Long-Range Comprehensive Transportation Plan** they identified the top 20-year transportation needs as: network integration and continuity/ traffic demand, pavement management, safety, accessibility, growth center street needs, development/traffic generator access, scenic byways, tourism and recreation, intermodal transportation, bridge improvements, agency transportation and environmental considerations.

2001 DNRR Committee Meetings

The Definition of Needs, Resources and Revenues Committee met on February 8th, February 26th, March 6th, and September 25th 2001.

On February 8th, Mr. Alan Maguire led a discussion **of Retention of Federal Dollars for the State Transportation System**. He gave members a handout showing calculations of 2000 quarterly amounts of federal budget allotted for states' transportation needs. He stated that Arizona currently receives a 90.5% return for federal transportation taxes paid in the state (the minimum guaranteed) and referred the Committee to the handout, **Calculation of FY 2000 Minimum Guarantee**. He further stated that it was recently proposed by state lawmakers to raise the guaranteed minimum percentage to 95%.

Mr. Tim Wolfe of ADOT presented information on **Intelligent Transportation System Improvements to the State Transportation System**. He explained that approximately three years ago MAG had developed an early deployment of Intelligent Transportation System (ITS), although there was now a new plan in place. Handouts provided to the Committee included Possible Near Term Improvements for ITS, Possible Near Term Improvements of ITS (Statewide) both from Mr. Wolfe and from Mr. Paul Casertano of PAG a report on **Tucson Metro Area ITS Recommendations**. Mr. Casertano stated that Tucson and other jurisdictions were working on smart corridors

and that these concerned traffic flow to major employment centers.

Mr. Richard Nassi, City of Tucson discussed information related to the Tucson Metropolitan area. He gave the Committee members a handout regarding Near Term Implementation for ITS in Tucson and Pima County and reviewed the information contained therein in detail. He stated that the main element involved what could be done right away, and that no cost elements had been reviewed and decided upon. He discussed the City of Tucson's work regarding a camera system to improve the efficient operation of traffic lights and the impact on traffic flow of an 8% to 25% improvement. He recommended that the state use what is in place rather than raise taxes to create new systems.

On February 26th, committee Vice Chair Mr. John Mawhinney led a discussion regarding the adoption of Transportation Needs and Revenue Draft Recommendations. Mr. John Carlson's **Possible Improvements for Intelligent Transportation System (ITS)** and Mr. Ken Driggs', of RPTA **Recommendations on Travel Reduction Strategies** were made available to the Committee.

On March 6th, there was a discussion and adoption of transportation Needs and Revenue Draft Recommendations.

On September 25th, Mr. Alan Maguire presented the **Report on Transportation Open Houses**. He highlighted the public notification of each open house, the format, materials presented and the attendance at the ten open houses conducted in southern, central and northern Arizona over the summer. The demographic findings of those attending the open houses were noted. He reviewed the results of the request for transportation priority identification, transportation system tax increases in rank order, and the five most significant transportation routes.

Mr. Maguire next presented the **Qualitative Results Report of the Modified Focus Groups** conducted to discuss preliminary Task Force recommendations. He reviewed the participant selection methodology and demographics of the 80 participants. The key

findings from the focus groups were discussed. They included the top five priorities in terms of transportation improvements, participants' satisfaction with the current system, key transportation routes, funding preferences and funding levels.

During a review of possible Task Force findings, Mr. John Carlson reported that over the past four months he had gone through all information related to the Task Force findings to create data points to back up the recommendations and findings of the Task Force.

The Committee recommended that the Task Force consider making a recommendation for

ADOT to oversee the creation of a high priority list to forward to Arizona's congressional delegation.

Preliminary recommendations on the issue of regional transportation were deferred to the Governance Committee to evaluate and make their recommendation on the issue.

Mr. Carlson distributed and discussed the ***Immediate and Obvious Strategies to Reduce Congestion and Improve Capacity*** and a ***Summary of Recommended HOT Lane Fiscal Feasibility Results***.

Planning and Programming Processes Committee

1999 P&PP Committee Meetings

The Planning and Programming Processes Committee met on April 22nd, May 27th, September 23rd and October 28th 1999.

On April 22nd, committee Vice-Chair Ms Diane McCarthy, Executive Director of Westmarc, outlined the charge of the Committee, stating that the Committee's most important function is to understand how planning takes place and to develop a foundation of a multimodal transportation plan for the next 20 years. Mr. Dale Buskirk, Acting Division Director of the ADOT Transportation Planning Division, gave a presentation on the ***Planning Process***. Mr. Buskirk's presentation covered the generic transportation planning process. He began with an overview of transportation performance and societal objectives, definition of planning and objective of transportation planning. There was additional discussion regarding the process for the Metropolitan Planning Organizations (MPOs), Councils of Governments (COGs) and cities.

Mr. Terry Johnson, MAG, provided an overview of the MPO and Transportation Management Area designations and the six federal planning requirements associated with those designations. He indicated that the congestion management system is the most important from a TMA's

perspective, and he explained the process of that system. He stated that both MPOs and TMAs prioritize recommendations. The long-range plan drives the decisions including the selection of individual projects. He explained how MAG integrates the cities and towns plans into a region's transportation system. He discussed the working relationship between MAG and ADOT and stressed that both entities have the power to stop a project, depending on the issue involved.

Ms Cherie Campbell, Transportation Planning Manager, PAG, compared PAG's process to that of MAG. She pointed that they have a long-range plan and a prioritization process for their five-year plan.

Internet information for the Washington DOT was made available.

On May 27th, Mr. Dale Buskirk presented ***Programming Process, Local and Regional Planning*** emphasizing that tribal governments and privately owned modes of transportation also need to be recognized. Mr. Buskirk began with an overview of the basic steps of the priority programming process noting that there are insufficient resources to address the priorities identified. He presented information on the department's resource allocation system and

discussed the impact of limited resources on system improvements.

Local and regional transportation planning professionals participated in a panel discussion regarding Local and Regional Programming. Panel members were Mr. Harry Reed, ADOT, Mr. Mike Sabatini, Maricopa County, Mr. Mark Clark, Lake Havasu City, Mr. Joe McCullough, Pima Association of Governments, Mr. Dean Giles, Central Arizona Association of Governments, and Mr. Jim Bourey, Maricopa Association of Governments. Panelists discussed the programming process from a jurisdictional perspective.

Mr. Reed, Consultant to ADOT, presented the group with ***Proposed Changes to the Planning and Programming Process***. His presentation included an overview of the results from the April 29-30th Casa Grande Resolves meeting, highlights of the current ADOT process, and review of the guiding principles related to the transportation planning and programming process and resolves.

Lake Havasu City's report, ***Local Government Transportation Planning and Resources*** was made available.

On September 23rd, there was a joint meeting of the Governance and Planning and Programming Process Committees. The Committees jointly discussed a variety of issues concerning the future of Arizona's transportation system. These included the various charges of the Task Force in the Governor's Executive Order and future issues and activities for these Committees. Ms Bonnie Glass, an intern for the Task Force gave two presentations; first was a ***Survey of the State Transportation Policy Boards***, the second an update on a ***Survey of State Planning and Prioritization Processes***. Mr. Jim Dickey, President of the Arizona Transit Association, led a presentation and discussion on the ***Arizona Transit Association's Policy and Planning Recommendations for Arizona***.

On October 28th there was a joint meeting of the Governance and Planning and Programming Process Committees. Mr. Reed made a presentation on the ***Resource Allocation Advisory Committee (RAAC) Agreement***.

Ms Mary Lynn Tischer discussed ***Federal Laws Governing State and Regional Transportation Planning***. Ms Glass, gave the group an update on surveys of other states.

2000 P&PP Committee Meetings

The Planning and Programming Processes Committee met on January 25th, March 28th, April 27th, June 22nd, July 27th, November 9th, and November 29th of 2000.

On January 25th, the Committee met jointly with the Governance Committee. At the joint meeting, the Committees discussed ***Criteria used in Transportation Planning***. Mr. Harry Reed of Michael Baker, Jr., Inc., described the statutory framework for the State of Washington's six-year DOT program. Among other things, Mr. Reed described the selection criteria for system improvement and system preservation described in their legislation. The Committees also discussed the controversy surrounding efforts to widen US 60.

On March 28th, a panel of experts including Ms Juanita Moffitt, Yavapai County; Mr. Steve Hansen, ADOT; Mr. Jay Dushoff, Law Offices of Dushoff & McCall; Mr. Bryan Patterson, City of Chandler and Mr. Curtis Lueck, Lueck and Associates addressed the Committee.

The Committee discussed several aspects of the ***relationship between transportation planning and land use planning***, including possible recommendations related to corridor preservation, access control and highway planning. Mr. Hansen provided a brief overview of the Advanced (right-of-way) Acquisition Program. Mr. Dushoff discussed several inter-related issues including the consequences of delayed projects.

Mr. Lueck noted that a new Access Management Manual at the Federal level will be published later this year and that resources will be available, which will be applicable to ADOT's operations. He stated that ADOT is at a disadvantage when planning for rural areas because they do not have a traffic demand model that includes all of the smaller communities in the state.

The following materials were distributed ***Access Management***, (Yavapai County); ***FHWA Development Guidelines, Development Guidelines 25 Interstate Change of Access Reports; Advance Acquisitions of Rights-of Way***, (Yavapai County); ***Highway Corridor Preservation; Right-of-Way Corridor Preservation MAG Information Summary; and Transportation Land Use Planning Potential Topics/Recommendations***.

On April 27th, the Committee held a general discussion of the ***alternative planning processes***, including possible recommendations related to performance measurement based planning, improvements to data collection and reporting and public information concerning future transportation corridors. Mr. Harry Reed, Michael J. Baker Jr., Inc. distributed and reviewed ***Governance and Planning State/MPO Examples and Case Studies*** with the Committee and explained that the primary focus of the material was transportation governance and planning practices and procedures in several other states including Oregon, Illinois, Georgia and Washington. Other case studies included Michigan, San Diego, California and the Georgia Region Transportation Authority. Mr. Reed concluded by noting that these states are using some form of performance measures for individual projects as well as the entire system. He stated that all of the states, except Illinois, use sub-area organizations and that several of the Boards include the private sector.

Mr. Alan Maguire referred to a handout entitled ***Standardization of Data and Methodologies Used in Transportation Planning and Reporting***. He noted the lack of comparability between or across transportation modes.

Ms Mary Lynn Tischer reviewed the handout entitled ***Synopsis and Observations of Methods of Capital Programming and Project Selection***. She explained that the purpose of the National Cooperative Highway Research Program Synthesis 243 was to determine the practices of state Departments of Transportation in performing the capital programming process and to identify "best practices" in preparing a transportation plan.

Committee Chair, Mr. Kevin Olson, mentioned the ***Life Cycle Program*** as an example of how the process can make a difference. Mr. Carlson stated that the Life Cycle Program was discussed at the Definition of Needs, Resources and Revenues meeting and staff was directed to research how to create and apply a similar system statewide.

On June 22nd, experts discussed a variety of alternative approaches and techniques with potential for congestion relief. Panelists included Mr. Terry Johnson, Maricopa Association of Governments, Mr. Mike Frisbie, City of Phoenix, Mr. Richard Nassi, City of Tucson, Ms Randi Alcott, Regional Public Transportation Authority and Mr. Ken Driggs, Executive Director of the Regional Public Transportation Authority, Phoenix Metropolitan Area.

The Committee held a series of discussions following up on the information obtained during the June 7th Task Force meeting concerning ***Intelligent Transportation Alternatives***, with a focus on congestion reduction strategies and methods for increasing the utilization of existing transportation facilities capacity.

Mr. Ken Driggs distributed and summarized Recommendations on Travel Reduction Strategies.

He discussed the subject of creative trip reduction strategies, specifically highlighting the integrated commute package. He recommended that the Committee look at a comprehensive approach to make a major impact on congestion and commute problems.

Mr. Johnson discussed the implementation of the Roads of Regional Significance Evaluation. The first step is commitment to the basic grid system as development occurs. The second step is consideration of what can be done to make the street system better on an incremental basis. The third step would be implementation of technological concepts such as smart streets, super streets, expressways and finally the creation of roads of regional significance.

Mr. Nassi reviewed the document presented on Capacity Enhancement Strategies.

Also distributed were a ***PAG Newsletter on I.T.S, Volume 2, Issue 1- Spring 2000; Get More "GO" Out of Traffic Signals, PAG, Information Packet*** from Ms Rita Hildebrand, of PAG; ***Rideshare Program 1999 Overview***, and ***PAG Area ITS***.

Ms Alcott stressed the need to support existing funding for marketing of the programs. She spoke about the growth of these types of strategies all across the country. She encouraged the increase of fees for illegal HOV lane use violations. She felt this would be a simple yet effective tactic and a revenue generator.

Mr. Frisbee explained that their small dollar bottleneck program was another significant and successful program in Phoenix.

On July 27th, the Committee conducted a roundtable discussion of potential recommendations concerning tools and methods for increasing the capacity utilization of existing transportation facilities within the State. Several experts discussed a variety of aspects of mass transit service and its potential for congestion relief. Special panelists included Ms Lindy Bauer of MAG; Mr. Jim Dickey, RPTA; Mr. Ken Driggs, RPTA; Mr. Randy Overmeyer, RPTA; Ms Mary O'Connor, City of Tempe; and Mr. George Caria, City of Tucson.

Mr. Alan Maguire provided a handout, ***Capacity Enhancement Strategies***.

The Committee also reviewed and discussed the recently prepared report, ***Metropolitan Planning Organizations: An Assessment of the Transportation Planning Process-A Report to Congress, Volume I***. Mr. Maguire suggested that the Executive Summary is the most important part of the report. He reviewed the key characteristics of successful MPOs and Recommendations found in the report.

Mr. Overmeyer distributed a summary entitled ***Regional Commuter Congestion Relief Measures***. He stated that improvements to commuter express bus service, van pools, HOV lanes and passenger amenities and facilities could all contribute to congestion relief. Mr. Overmeyer reviewed the ***Proposed Express***

Bus Service Matrix. He explained that they looked at the issue from a regional perspective, focusing on how to spread service around the region rather than the level of service that might be needed in each area.

Also discussed were ***Graphs on 2005 Carbon Monoxide and Hydrocarbon emission Reductions from Individual Measures***.

On November 9th, Mr. Brad Barber, retired from the State of Utah Governor's Office of Planning and Budget, provided an in-depth presentation on the ***Envision Utah Growth Strategy***, a partnership for quality growth. He reviewed the strategies, goals and objectives of the program and the extensive public process utilized to create the program. He outlined the lessons learned and their recommendations for others going through a similar process: it is a long-term process; work with the program critics, state government must be a partner, not the lead; local government is the key to the process, but they need the right tools; the Department of Transportation is an important partner; the Department of Transportation must allow flexibility at the local level on street design; transit development and funding is critical; and, change is slow, but it does happen.

Panel members for a roundtable discussion on transportation and land use planning were Mr. Robert Dunphy, Urban Land Institute (ULI); Mr. John McNamara, BRW, Inc.; and Mr. Barber.

Mr. Dunphy described the mission and membership of ULI and outlined the organization's work on transportation and growth issues, including the development of a range of policy and practice items. He presented suggestions for overcoming gridlock. He highlighted the strategies and results of growth management efforts in Portland, Houston, Atlanta, San Diego and New Jersey. He suggested that the keys to success are: a consistent vision, knowing the territory, reliable funding, getting serious about transit, taming the car and following up.

Mr. McNamara spoke on the issue of creating a land use/transportation connection and the challenge of increasing the success of investment by maximizing the relationship of the

investment to the adjacent land use. He discussed the historic context of the challenge before the Task Force prior to and since World War II. He stressed the importance of the opportunity to utilize collective forums for transportation investments, considering traditional and expanded criteria.

On November 29th, Mr. Alan Maguire distributed a handout entitled **DRAFT Potential Recommendations** dated November 29, 2000. The Committee's discussions centered on performance based planning and programming, long-range planning processes, expanded multimodal planning and support, prioritization of congestion relief and commuter services, coordinated land use planning and transportation planning.

Ms. Mary Peters distributed a summary report- **Analysis of Underfunded and Unfunded Issues for ADOT Maintenance Functions 2000**.

2001 P&PP Committee Meetings

The Planning and Programming Processes Committee met on January 23rd, March 7th, and September 20th of 2001.

On January 23rd, the Committee discussed the planning and programming processes draft recommendations which focused on performance based planning and programming, long-range planning processes, expanded multimodal planning, expanded state multi-modal support, prioritization of congestion relief and commuter services, and planning support for local transportation agencies.

During a discussion of congestion pricing options, Mr. Bill Hayden from ADOT, addressed the Committee regarding the ADOT-MAG Value Lane Study. He explained the study evaluated the financial feasibility of adding value lanes as well as their effectiveness as a congestion relief tool. He said the template of HOV lanes is already in place and connectivity would be critical if the implementation of value lanes were to go forward. He and Mr. Eric Anderson from MAG distributed and discussed several documents including **Fact Sheet, Value Lane Study, MAG Value Lane Study**, Map of the

Adopted HOV System Plan and a Map of the **Proposed New HOV System**.

On March 7th, Mr. John Carlson passed out a draft of the **Roads of Regional Significance Concept Guidelines** and the list of roads in the PAG region. He said that areas where overpasses are needed in the PAG region are also being identified, along with potential rail grade separations.

Committee members discussed the impact of the lack of affordable housing in new development areas, which forces service personnel to commute long distances to and from work.

The March 5th, 2001 **Draft Potential Recommendations** were discussed. After a discussion of the Planning and Programming Processes Recommendations, the core recommendations and the additional draft recommendations were approved.

On September 20th, Mr. Alan Maguire presented the **Report on Transportation Open Houses**. He highlighted the public notification of each open house, the format of the materials presented and the attendance at the ten open houses. He then presented the **Qualitative Results Report of the Modified Focus Groups** conducted to discuss Task Force preliminary recommendations. He explained that the focus groups were not conducted in rural Arizona because of practicality and the wide disparity among issues in rural communities in Arizona.

During a review of possible Task Force findings Mr. John Carlson reported that over the past four months he had gone through all information related to the Task Force findings to create data points to back up the recommendations and findings of the Task Force. He then presented and reviewed **Immediate and Obvious Strategies to Reduce Congestion and Improve Capacity**. The document reflects key recommendations and comments from the public input process.

There was then a **review of preliminary recommendations based on public input**. Mr. Maguire reviewed the suggested changes to the preliminary recommendations.

Governance Committee

1999 Governance Committee Meetings

The Governance Committee met on April 22nd, May 27th, September 23rd, and October 28th 1999.

On April 22nd, committee Chair Mr. Kurt Davis, Vice President of Public Affairs and Marketing from Northern Arizona University, outlined the charge of the Committee, and explained how the Committee would approach their task and what information would be provided to them. Then Ms Jennifer Macdonald, Legislative Liaison with ADOT, provided a detailed review and outline of major transportation players at all levels of government from the U.S. Department of Transportation to cities and counties. The current structures and relationships discussion included a description of the major transportation entities and an overview of how the various levels of government are included in the transportation infrastructure. Mr. John Carlson provided the group with a Legislative Update, which included a detailed summary of selected transportation-related bills.

On May 27th, Mr. John McGee, Chief Financial Officer from ADOT, presented a summary of the Preliminary Revenue "Matrix". This information had been previously presented to the Vision 21 Task Force. The ***Transportation Planning and Programming Processes*** were discussed by Mr. Dale Buskirk, Acting Division Director, Transportation Planning Division, ADOT. Mr. Buskirk stated that planning and programming is done at the local, tribal, regional, state and federal levels and includes transportation systems, state highways, county roads and city streets. In addition, representatives from regional, state and federal transportation agencies held a panel discussion on The Execution of Planning.

On September 23rd, there was a joint meeting of the Governance and Planning and Programming Process Committees. The Committees jointly discussed a variety of issues concerning the

future of Arizona's Transportation System. These included the various charges of the Task Force in the Governor's Executive Order and future issues and activities for this Committee. Bonnie Glass, an intern for the Task Force gave two presentations; a ***Survey of the State Transportation Policy Boards***, and an update on a ***Survey of State Planning and Prioritization Processes***. Mr. Jim Dickey, President of the Arizona Transit Association led a presentation and discussion on the ***Arizona Transit Association's Policy and Planning Recommendations for Arizona***.

On October 28th there was a joint meeting of the Governance and Planning and Programming Process Committees. Mr. Harry Reed, Consultant to the ADOT, presented a discussion on the ***Resource Allocation Advisory Committee (RAAC) Agreement***. Ms Mary Lynn Tischer discussed ***Federal Laws Governing State and Regional Transportation Planning***. Ms Glass, gave the group an update on surveys of other states.

2000 Governance Committee Meetings

The Governance Committee met on January 25th, March 28th, June 22nd, July 27th, September 21st, November 9th, November 29th, and December 28th 2000.

On January 25th, the Committee met jointly with the Planning and Programming Committee. At the joint meeting, the Committees discussed ***Criteria used in Transportation Planning***. Mr. Harry Reed of Michael Baker, Jr., Inc. described the statutory framework for the State of Washington's six-year DOT program. Among other things, Mr. Reed described the selection criteria for system improvement and system preservation described in their legislation. The Committees also discussed the controversy surrounding efforts to widen US 60.

On March 28th, the Committee held a ***roundtable discussion on transportation***

governance structures. Members discussed the existing transportation governance structure within Arizona and identified strengths and weaknesses within the existing governance structure. The Governance Committee also discussed the appropriate roles of the state and other entities in the overall transportation governance system and identified their principal goal as dealing with the “who” of the transportation system, while the Planning and Programming Committee is dealing with the “how” of the system.

The following documents were made available: FMPO’s ***FY 2000 Unified Planning Work Program and Budget***, MAG’s ***FY 2000 Unified Planning Work Program and Annual Budget***, PAG’s ***Overall Work Program 1999-2000***, YMPO’s ***FY 2000 Unified Planning Work Program Budget***, and ADOT’s ***Council of Government Overall Work Program for Federal FY 2000***.

On June 22nd, the Committee held another ***roundtable discussion of alternative governance structures*** that might be considered for Arizona’s transportation system. Among the subjects discussed were the desire of the Committee to identify common responsibilities among various transportation planning entities as well as improving the coordination of transportation planning at all governmental jurisdictions within the state of Arizona. The Committee also reviewed materials prepared by Mr. Harry Reed of Michael Baker Jr., Inc. concerning alternative governance structures that currently exist in other states. Mr. Reed provided an in-depth overview of the case studies from other states dealing with similar issues as Arizona. The reports contain basic system information, demographics, governance structure, mechanism for planning and programming and the roles and responsibilities of the principal transportation entity. States reviewed included Oregon, Illinois, Georgia, Washington and Michigan. Also reviewed were case studies for San Diego, California and the Georgia Region Transportation Authority. He also highlighted two alternative governance structure models, discussing the goals, criteria and measurement aspects. The two structures presented were a state-centralized model, most similar to Georgia’s and

a sub-state, regional model. Mr. Reed presented an evaluation of the two alternatives based upon several criteria derived from the proposed governance goals. He explained that planning and execution are kept separate in the models presented. He distributed ***Governance Structures, Part I, Case Studies*** and ***Governance Structures, Part II, Alternative Governance Structures***.

On July 27th, the Committee continued its ***roundtable discussion of alternative governance structures*** for Arizona with the focus on improving the “*nexus*” among transportation planning, design, construction, operation, maintenance and funding. The Committee members also identified the need to increase accountability for decision-making within the system.

Mr. Alan Maguire reviewed a handout outlining key discussion points from the June 22nd, 2000 meeting. He stated that the main issues seem to be who has ultimate authority, responsibility and accountability and what the external impacts are of the decisions being made. He summarized some of the Committee’s common points and identified a consensus on the need for more connection between the beginning and end of the transportation development process and that there are natural geographic areas where transportation planning makes sense. He also stated that the regions, however they are defined, need to work together and need to take into account the effect development has on the entire region.

Metropolitan Planning Organizations: An Assessment of the Transportation Planning Process was also distributed.

On September 21st, the Committee reviewed the recently prepared report ***Metropolitan Planning Organizations: An Assessment of the Transportation Planning Process-A Report to Congress*** Volume I. Mr. Alan Maguire stated that the report was commissioned by Congress and looks at the operation of MPOs in Denver, Dallas-Fort Worth, Phoenix and Seattle. He noted that the report concluded that effective leadership is critical to an MPO’s success.

The Committee continued its **roundtable discussion of alternative governance structures** for Arizona.

On November 9th, Mr. Alan Maguire explained the proposed discussion format and provided an overview of a document **Centralized Authority versus Decentralized Authority Governance Structures**. For purposes of discussion, Mr. Alan Maguire presented the decentralized authority structure, while Mr. Harry Reed presented the centralized authority structure.

Also distributed was Maricopa County DOT's **A New Organizational Structure and Funding to Effectively Address Regional Transportation Issues**.

On November 29th, there was a discussion of the Governance Draft Recommendations focussing on both centralized and decentralized structures. In reviewing the discussions concerning the centralized structure, Mr. Alan Maguire noted that the State Transportation Board's name was changed to the State Transportation Commission in an effort to change its focus. The centralized structure discussion supported a proposed membership of nine members with not more than three members from any county with greater than one-third of the state's population and not more than one member appointed from any other county. He briefly reviewed the Commission's roles and responsibilities, including developing and approving a long-range, statewide, multimodal transportation plan for state owned facilities and transportation facilities that are of state interest.

Mr. Maguire then reviewed the decentralized structure model, stating that it provides for the creation of statutorily prescribed regional transportation districts. The decentralized structure discussion described districts that would be established by law to include one or more counties. The districts would adopt a 20-year plan that would be updated on a five-year cycle and would conform to state prescribed processes and transportation performance measures.

Mr. Ingo Radicke passed out a summary report—**Analysis of Underfunded and Unfunded Issues for ADOT Maintenance Functions**.

On December 28th, Mr. Alan Maguire explained the revisions made to the two alternative governance structures agreed upon at the previous meeting and then continued a discussion of alternative governance structures. He presented the revised state structure, explaining the changes that were made. He summarized that the revised state structure achieves the goal of restructuring the State Transportation Board to a certain extent while clarifying responsibilities and adding additional planning and policy requirements to the structure. He presented an updated version of **Alternative Transportation Governance Structures**.

Committee members discussed the coordination necessary between the regional and the state structures. They discussed at length the handling of major regional facilities, including airports and interstate highways that serve two distinct roles.

2001 Governance Committee Meetings

The Governance Committee met on January 8th, January 18th, February 13th and October 4th of 2001.

On January 8th, Mr. John Carlson distributed and discussed **Establishing Roads of Regional Significance-Regional District Concept** as well as a table of adopted design concept guidelines. He also discussed how implementation of the Regional Roads of Significance proposal would work under the regional district concept using Ina Road as an example.

During further discussion of the Governance Draft Recommendations, Mr. Alan Maguire distributed and reviewed policy changes made to the handout entitled **Alternative Transportation Governance Structures**. He identified three issues he believes deserve additional discussion: 1.) the role of state districts and District Engineers, 2) the shape of new regional districts and 3) how aviation should be handled.

Maricopa County Supervisor, Mr. Don Stapley addressed the Committee and submitted written comments. Mr. Joe Brannan, Executive Director of SEAGO also spoke to the Committee and provided them with a copy of his written remarks.

On January 18th, there was further discussion of the Governance Draft Recommendations. Mr. Alan Maguire described the changes made to the document format and highlighted the specific text changes made as a result of the Committee's discussion of the alternative transportation governance structures. He distributed and the Committee discussed the **Sample Transportation District Boundaries**.

Mr. John Biven's summary, **Transportation Governance in Arizona, COG/MPO and District Boundaries**, and **Engineering and Maintenance District Map**, prepared by ADOT, were also distributed.

On February 13th, Mr. Alan Maguire provided the Committee with a handout showing the Committee's last revisions to **Alternative Transportation Governance Structures**. The Committee continued its discussion regarding alternative transportation governance structures.

The applicability of the proposed regional transportation districts was narrowed to the two large urban areas in the state. The Committee also discussed the appropriate boundaries for the proposed districts.

A letter to Co-Chairs from Mr. Tom Swanson of PAG and a letter to Co-Chairs from Mr. Tom Browning regarding aviation were also distributed.

On October 4th, Mr. Alan Maguire presented the **Report on Transportation Open Houses**. He highlighted the public notification of each open house, the format, materials presented and the attendance at the ten open houses conducted in southern, central and northern Arizona over the summer. The demographic findings of those attending the open houses were noted. He reviewed the results of the request for transportation priority identification, the transportation system tax increases in rank order, and the five most significant transportation routes.

Mr. Maguire next presented the **Qualitative Results Report of the Modified Focus Groups** conducted to discuss preliminary Task Force recommendations. He reviewed the participant selection methodology and demographics of the 80 participants. The key findings from the focus groups were discussed. They included the top five priorities in terms of transportation improvements, participants' satisfaction with the current system, key transportation routes, funding preferences and funding levels.

During a review of possible **Task Force Findings**, Mr. John Carlson reported that over the past four months he had gone through all information related to the Task Force findings to create data points to back up the recommendations and findings of the Task Force.

The Committee reviewed and revised the Task Force's Preliminary Recommendations that had been developed by the Committee on the basis of the information received through the Transportation Open Houses.